

United States Department of AgricultureFarm Service Agency

"Gearing Up for the 21st Century"

Managing Performance Dialogueswith Stakeholders and Customers

Presentation for the Government Results Summit March 25, 2004

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Agenda

- Background
 - USDA Farm Service Agency
- FSA's Budget & Performance Management System (BPMS)
- Engaging Stakeholders and Customers in Strategic Plan Development
- **Transformation Challenges**

FSA's Mission in Life

- Farm ownership, operating, and emergency loans
- **■** Traditional commodity programs
- Ad hoc disaster and other emergency programs
- **■** Domestic and international food assistance
- Conservation and environmental programs



Vision Statement

A customer-driven agency with a diverse and multi-talented work force, dedicated to achieving an economically and environmentally sound future for American Agriculture.









FSA Organization

- 17,000-plus employees
- 2,000 local USDA Service Centers around the country, Puerto Rico, & Pacific Rim
- FY 2005 Budget \$34 billion
- Serves 2.2 million registered farmers and ranchers

FSA Business Lines

- Credit services
- Traditional commodity programs
- Commodity services
- Conservation

Budget and Performance Management System (BPMS)

BPMS

Getting to Green



Linking

Performance and Budget

for better decision making and accountability to citizens

FSA Budget and Performance Management System (BPMS)

- BPMS is a management tool to facilitate the TRANSFORMATION of FSA to a performancebased, results-focused organization.
 - Starts with a new 5-year (FY 2004-2008) Strategic Plan aligned with USDA's Strategic Plan.
 - Tells our story to Congress, OMB, and the American public.

FSA Budget and Performance Management System (BPMS)

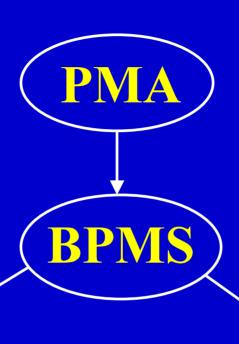
BPMS

Getting to Green!



- Goal: Continuously improving performance management for better decision making through integration of performance measures, including OMB's Program Assessment Rating Tool evaluations, into FSA's budget process.
- Objectives:
 - Improve customer service and program delivery.
 - Enhance operational efficiency and effectiveness.

Key Elements



Systems & Technology

- Planning & Budgeting
- Finance & Accounting
- Program Management
- Other (e.g., HR, Procurement)

Performance Management

- Planning & Budgeting
- Cost & Performance
- Governance & Accountability

BPMS Outcomes

BPMS

Getting to Green!

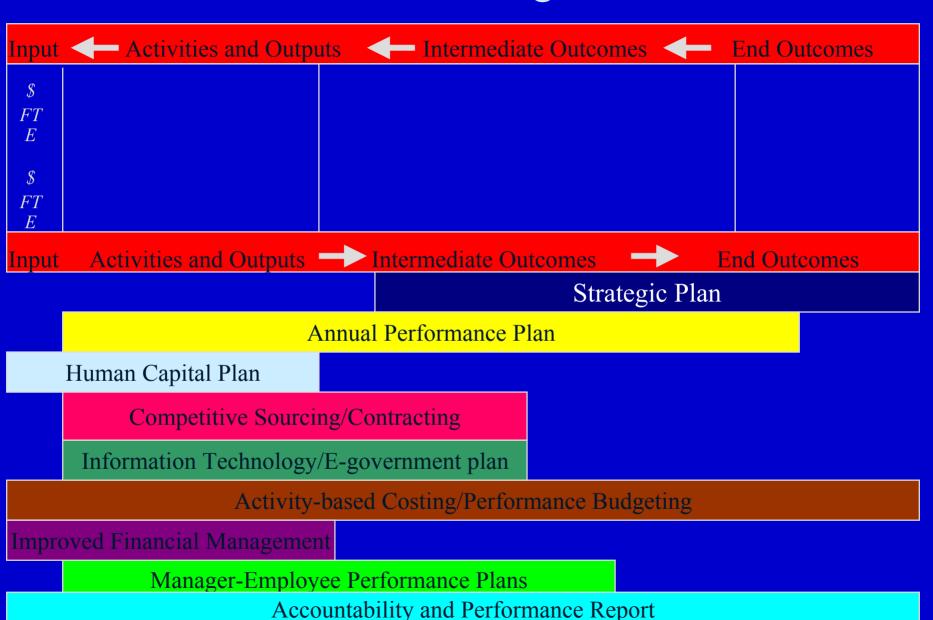


- Short Term: FSA produces a new draft 5-year Strategic Plan with intermediate and end outcome goals and measures by Spring 2004, which serves as the cornerstone for all Agency performance management and budget initiatives.
- Long Term: FSA is a continuously improving performance-based, customer-driven, and results-focused organization.

Building a Results-Oriented Agency

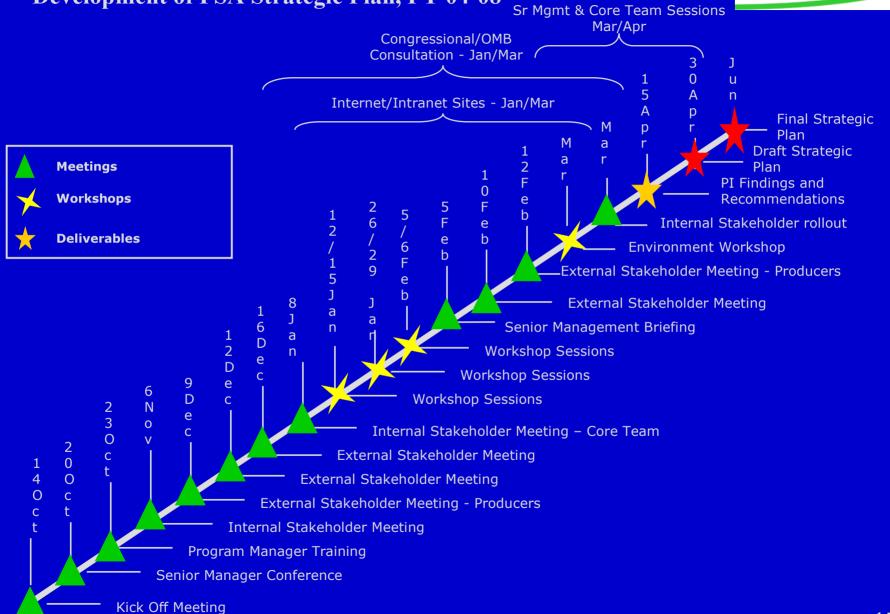
Mission **Outcome Goals** Strategy Program Alignment **Budget Alignment**

Government Performance Logic Model





Development of FSA Strategic Plan, FY 04-08



- **■** Firm up senior leadership commitment.
- Assess internal resource capabilities.
 - Obtain consulting services.
- **Establish agency BPMS Core Team.**

BPMS Management Structure



Office of External Affairs

- BPMS Core Team meets weekly to determine tactical steps and logistics for Strategic Plan development.
- Conduct series of internal dialogue sessions (all levels of management).
- Check-in and brief senior management on regular basis.

Engaging Citizens to Improve Performance

Engaging Producers to Improve FSA Services

- BPMS Core Team determines which stakeholders to invite to dialogue sessions.
- Make sure ALL key stakeholders are invited...even critics.
- Based on stakeholder lists, determine number and location of dialogue sessions...convenience is important.

- Practical considerations for planning dialogue sessions:
 - Issue invitations at least one month in advance.
 - Personalize invitations from senior management.
 - Follow-up invitations with emails, calls, FAXes.

- Practical considerations for planning dialogue sessions:
 - Display "catchy" slogans to promote dialogue session at registration desk and in meeting room.
 - Plan for a working lunch and refreshments to keep participants engaged and "in the room."
 - Need an engaging and open-minded facilitator.

- Practical considerations for planning dialogue sessions:
 - Obtain court reporter services.
 - Develop an audio/visual plan...that works.
 - Ensure accuracy of participant information: registration.
 - Involve senior leaders...keynote and closing address.

Engaging Stakeholders: "Headlines"

- "Producers draw FSA roadmap for the future"
- "FSA announces average age of farmer down from 58 to 44 years old!"
- "FSA reminded the 'S' stands for service"
- "FSA can't read smoke signals!"

Engaging Stakeholders: "Headlines"

- "After years of denial, problems within FSA are finally being addressed on the national level."
- "Working with producers, FSA takes initial steps to communicate its relevance and resolve longstanding problems. Budget Director's health outlook improving."
- "FSA avoids the 80/20 rule by not spending 80 percent of their time and resources on only 20 percent of their customers."

As Proposed for New Strategic Plan

Vision:

A market oriented, economically viable, and environmentally sound American agriculture sector delivering an abundant, safe, and affordable food and fiber supply while sustaining quality rural communities.

As Proposed for New Strategic Plan

Mission:

To equitably serve all farmers, ranchers, and agricultural partners through the delivery of effective and efficient agricultural programs.

FSA Mission



Farm Service Agency

Improve the Viability and Productivity of Farms and Ranches

Ensure Management

Mission Goals

Conserve Natural
Resources and
Enhance the
Environment

Provide a Stable and Affordable Supply of Food and Fiber

Transition - FY 2005 BPI to New Strategic Plan

Major Changes

- Strategic goals no longer aligned solely by Deputy Administrator program area - eliminates "stovepipes."
- Strategic goals 1 and 2 cross-cut farm programs, farm loan programs, and commodity operations.
- All Strategic goals supported by a set of "management excellence" performance measures.
- Performance measures developed through the new strategic planning process are more outcome focused.

Engaging Stakeholders: Lessons Learned

- **DO NOT** underestimate the amount time required for internal buy-in!
- Make sure ALL key stakeholders are engaged in the process!
- **■** Communicate, Communicate, Communicate!
- Avoid "new player effect" need consistent participation.

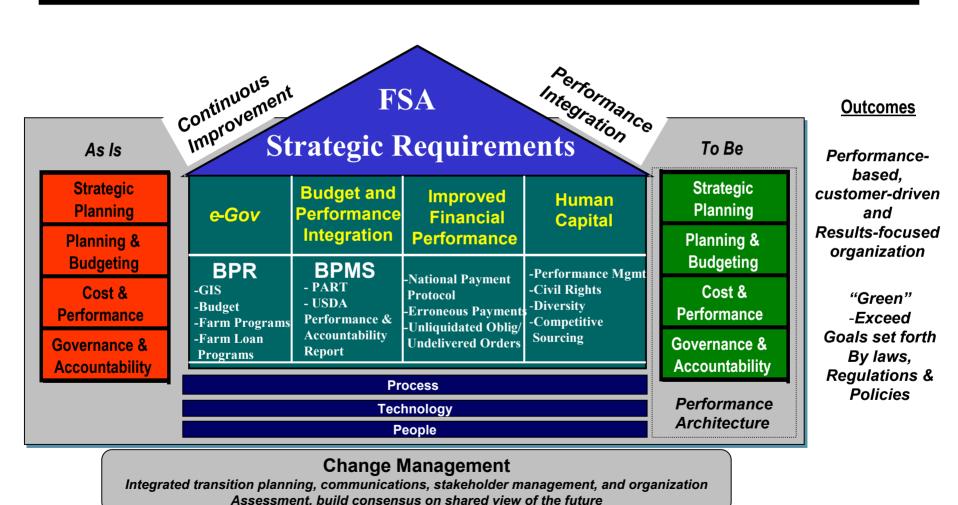
Engaging Stakeholders: Lessons Learned

- Involve field people in your workshops and all levels of management.
- Develop a plan for internal communication to get message out agency-wide.
- **■** Develop both internet and intranet web sites.

Engaging Stakeholders: Lessons Learned

- Develop "auto response" for public comments <u>and</u> do individualized follow-up.
- Don't forget to thank your stakeholders!
- Give them something positive to remember you by (e.g., pen, pamphlet).

Change management aligns people, process, and technology during transition and builds capability and commitment to new ways of operating.





TRANSFORMATION Challenges

- Institutes a major cultural change different way of thinking.
- Requires continued commitment and support from all levels - senior management to field staff.
- Reengineers human capital and requires a well coordinated and integrated change management, communications, and training plans.

How to Get Involved!

- Visit Web site (goes live shortly)
- Send comments/questions to yourFSAcomments@wdc.usda.gov or call Strategic Planning and Corporate Affairs Staff at 202-418-9064.
- Draft Strategic Plan expected out for public comment Spring 2004.

